

TIG

Brief

THE INSPECTOR GENERAL OF THE AIR FORCE

JULY-AUGUST 1996

AFMC— CONTINUALLY IMPROVING READINESS





Dedicated to improving the Air Force

features

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on our cover

Crews maintain C-141
aircraft at Warner-
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Photo by Staff Sgt.
Andy Dunaway.

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With this issue of *TIG Brief* comes a welcome from The Inspector General, Lt. Gen. Richard T. Swope. Swope comes to us from his last assignment as the Pacific Air Force Inspector General. He brings with him the vast experience of 32 years of Air Force service which sets the stage for future inspection business Air Force wide. While quality is now instilled in our Air Force culture, Swope drives home the fact that *in addition* to this, we must also stay focused on mission accomplishment.

Providing our signature article for this issue is Gen.

Henry Viccellio Jr., Air Force Materiel Command commander. He discusses quite candidly the alterations made to how AFMC will conduct AFMC's Quality Air Force assessments and operational readiness inspections for improved readiness capability. His article on Page 6 is complemented by this issue's feature on AFMC found on Page 12. Here you'll find their answer to improved customer service for a lean and fast logistics operation and acquisition reform. Take a look to see if what AFMC is doing can be applied to *your* unit.

Lt. Col. Steve Fowler, Air Force Inspection Agency Field Inspection Directorate, presents a somewhat unconventional perspective to the unit self assessment. His illustration on Page 10 demonstrates the unit self assessment process from the wing as well as the headquarters level and affords an insight into the unit self assessment in the simplest of terms. Whether you're servicing your internal or external customers at the wing or headquarters level, every Air Force member will find Fowler's article helpful in understanding how each should conduct their own unit self assessment for their customers.

Capt. Dick Poore from the Air Force Inspector General Executive Services section offers an analysis of current events and their relation to the inspector general business on Page 14. Poore brings together the relationship between a

decreased work force and declining budgets coupled with unpredictable threats around the globe. These factors offer all the reasons we must maintain a quality force ready to go anywhere at a moment's notice. His analysis should make every inspector everywhere in the Air Force proud of the integral roles we play in maintaining our Air Force readiness.

On page 18, Maj. Jane Peterson, Air Force Legal Services Agency, Appellate Court Division, highlights some of the negative trends regarding government-issue American Express cards. As supervisors at all levels of command, we have a responsibility to inform our people of the proper use of such a card and to hold accountable those members who do not use the card as intended. We hope this issue narrows the gap between where quality and mission accomplishment meet in today's Air Force. In addition, *TIG Brief* has made its World-wide Web debut and is now available in full color on the Internet. While we continually strive to better our magazine, we also venture to make *TIG Brief* available to Air Force leaders at every level and every location. Check out the back cover for our website location and visit us soon! ♦


ANGELA L. ELLARD
Captain, USAF

welcome



It's great to join Team IG as The Inspector General. Our Air Force is besting the challenges of our mission daily and all inspectors are involved. Inspectors General at all levels, Air Force Office of Special Investigations, Air Force Inspection Agency, and the Air Force Inspector General staff continue as key players in sustaining our Air Force's ability to fight and win our nation's wars.

The inspector general mission is clear, "continuously evaluate force readiness and organizational efficiency and effectiveness ... and provide the commander with a credible, independent assessment to measure capability." We must never lose sight of this responsibility—it is "job one."

During the past two years, Team IG joined Air Force leaders in being quality champions. Together, we have installed the quality tools of goal setting, delegation, empowerment, and measurement across the full range of Air Force activities. Our skill with these tools can now be tied to mission accomplishment.

Air Force senior commanders reset the quality focus on mission accomplishment at Corona South in February. The new objective will demand processes get desired results to reap the benefits and measure the success of our quality leadership and management practices. To that end, two fundamental changes were implemented by the April 1, 1996, version of

AFPD 90-2, *Inspector General—The Inspection System*. Quality Air Force assessments will now expand to evaluate results and compliance items will be measured using the five-tier grading system. Both changes will help to ensure that we not only take the right path, but that we reach the right destination.

The road ahead is full of challenges. We are committed to being more effective and efficient and to finding better ways to define our goals, objectives, and standards built on the foundation of core values Air Force wide. We must be vigorous and visionary in our approach, looking for ways to improve crossflow and teach best practices throughout the Air Force. And at every level we must seek to improve our processes and results.

Another Corona initiative has resulted in a new inspector general at unit level. A colonel or lieutenant colonel, depending on unit size, is now being assigned at 109 installations to increase the independence of our Air Force inspector general system. By now they should be visible at your location and we are working hard and smart to ensure they have the resources to serve everyone's needs. No longer part of the vice commander's responsibility, we expect the independent inspector general to improve Air Force capability to resolve concerns.

Every member of Team IG is committed and critical to the Air Force mission. Whether we are inspecting, investigating, inquiring, coordinating, or supporting, we focus on "job one" and our role in it. Together, we are dedicated to providing America the most capable air and space forces.

You and I share a proud heritage, solemn responsibility, and great opportunity. Together, as a team, we can keep our Air Force the best the world has ever known. ♦

Richard T. Sample
The Inspector General

farewell

Inspection: A Look Back

Three years ago, at the start of my tenure as commander, I wrote an article for *TIG Brief* entitled, *Inspection: A Look Forward*. As I look back over the last three years, the Air Force Inspection System has undergone some of the most sweeping and positive changes in its history and the Air Force Inspection Agency has made great strides in our quest to become world-class consultants in demand by Air Force leaders. More and more of our topics are requested by Air Force senior leadership, which denotes an increased level of trust between leadership and the inspector general. I'm fond of saying that we've moved away from the "black hat" confrontational inspector role to more of a "gray hat" consultative assessor role. Why not "white hat?" Well, quite frankly, the inspector general will always have the role of ensuring compliance for some critical processes and functions, for example, nuclear surety. This new partnership between leaders at every level and the inspector general is healthy for our Air Force and is rooted in our Quality Air Force journey. We are truly here to help.

I believe the importance of the inspector general was reaffirmed when the Secretary and Chief of Staff created independent wing-level inspector general positions at every base. Another positive indicator of the importance of inspector general positions at every level is the number of highly qualified volunteers that actively solicit inspector general duty. As a result of recruiting high-quality inspectors and the general recognition that inspector general duty serves to broaden one's experience, we've been very successful in placing inspectors in great jobs. Other positive changes I've seen during my tenure include the birth of the Quality Air Force assessment, customer input into management review reports, major improvements to *TIG Brief*, and important curriculum updates to the Air Force Inspection School.

As I move on to new challenges, I'll look back on my days in command of the Air Force Inspection Agency and working with inspector general personnel Air Force wide as truly some of the best days of my military career. To those of you who continue to perform the work of The Inspector General, know that the job is critical to successful mission accomplishment and your dedication to improving the Air Force is making a positive contribution. ♦

Brig. Gen. Robert M. Murdock

On July 1, 1996, Brig. Gen. Robert M. Murdock relinquished command of the Air Force Inspection Agency to Col. James C. Robertson III.

AFMC—Full Speed Ahead in Quality and Readiness

by General Henry Viccellio Jr.



Since arriving at Air Force Materiel Command headquarters early last summer, I have visited every base in the command. I am continually impressed by the wealth of talent and ingenuity displayed at every rank and grade and at every location. AFMC people, those throughout the Air Force, are the absolute best! It's no surprise then that grass is not growing under our feet in the quality arena.

We have progressed past the "Quality 101" and "Quality 202" level in our journey to change the culture of how our institution sees itself and works. The steps we have taken in this journey have been right on target so far, and we are now evolving to ensure the momentum is maintained.

For this reason, we have worked with our inspector general to change the way we conduct Quality Air Force assessments. Rather than our command Quality Air Force assessment focusing on validat-

ing a center's unit self assessment, it will concentrate on giving more applicable feedback on **both** our quality program and the products it promotes down to the division or three-letter level in the centers.

Like most efforts in my almost 35 years in the Air Force, success in our new Quality Air Force assessment process will depend greatly on how well we communicate. I believe one valuable way to describe the Quality Air Force movement, its criteria, and what we want from all the time and effort involved in Quality Air Force assessments can be found in the answer to five fundamental questions:

- ★ **How are you doing?**
- ★ **How do you know?**
- ★ **How have you improved?**
- ★ **How do you know you have improved?**
- ★ **What best practices do you have?**

The "how do you know"

question is at the heart of the Quality Air Force initiative. All of our people want to do the best job possible, and it is our challenge and that of every leader in AFMC, to assure that the command population knows where we want to go and how to contribute to our ultimate success. Setting realistic, customer-centered goals and standards is critical to this effort. We are not collecting performance measures as "eyewash" but as real evidence of our success or need for improvement in getting the job done.

We have developed an assessment guide based on the application of these five questions, Quality Air Force criteria and principles, and the vast functional expertise throughout the command. We'll use this guide as the basis for our assessments.

The assessment guide also contains a few areas that are compliance oriented. We simply must maintain vigilance in those areas that are mandated

by law or safety. An organization that is not focusing on these cannot do well in the job or on the assessment—period.

We will also switch from the 1000-point Baldrige scoring to a five-tier rating. It's very hard to understand how well you are doing if you score a 270—particularly if “perfection” lies over 700 points away! However, everybody has an understanding of what “excellent” or “outstanding” means, and I believe all of our people want to know—in simple terms—how they're doing.

Obviously, readiness is of primary concern to AFMC as it is across the Air Force, and we are changing “operations as usual” in this area as well. We are transitioning from readiness assessments to operational readiness inspections, a change that has several implications.


Members of AFMC's readiness team are continuously deployed around the globe. Our forces do not fight in place; they go where called. For that reason, it is especially critical that our readiness machinery be fully exercised and rated. We're going back to a five-tier grading system to give our centers a measure of how well they meet their wartime and contingency response mission requirements. The operational readiness inspection will evaluate four major areas: initial response, wartime materiel support, mission support, and ability to survive and operate.

Team IG in AFMC has changed their overall approach to operational readiness inspections in some other major ways as well. The inspector general will now write the scenarios and determine who deploys, rather than the base that is being inspected. Further, the command operational readiness inspection will be grading the unit, rather than the base exercise evaluation team.

Our intent in AFMC is to perform assessments and inspections concurrently whenever possible. We anticipate some synergy between the two evaluations and believe there will be some cost savings and minimized disruption for the centers. We are prototyping the new combined Quality Air Force assessment and operational readiness inspection through 1996.

Finally, we're reinstituting a big “outbriefing” upon completion of each Quality Air Force assessment and operational readiness inspection. This outbrief should include as many people as will fit in the building and be very upbeat—in keeping with the excellent work conducted throughout AFMC. Our inspector general needs to give our people a real idea of where they are in mission accomplishment and on their quality journey. Our people want and need this feedback so they can feel good about everything they're doing right and improve on what they can do better.

The Air Force is changing in fundamental ways, and we must concern ourselves with quality in order to meet the challenges inherent in change. To do things better and smarter, quality has to be an integral part of what we do. We are changing our focus from process to an emphasis on product, and we strongly believe that puts us on the right glide path. Quality Air Force criteria stress a focus on customer and on results. That's our focus as well. AFMC will do our part to make our Air Force vision, “Air Force people building the world's most respected air and space force—global power and reach for America” a reality. ♦



Commander, Air Force Materiel Command

Tracking Recent Inspections

The following are the most recent Air Force Inspector General's Functional Management Review and Acquisition Management Review reports. The information in this section is general in nature and contains only the purpose and scope of the reviews. We do not include specific findings and/or recommendations because they are privileged information.

However, Air Force organizations may request a copy of these reports by calling Tech. Sgt. Widener at DSN 246-1645 or writing him at HQ AFIA/CVS; 9700 G Avenue SE, Suite 345D; Kirtland AFB NM 87117-5670. Requests can also be made via e-mail using this Internet address: tig@smtps.saia.af.mil. Agencies outside the Air Force desiring a copy of any of these reports should contact SAF/IGI by dialing DSN 227-5119 or commercial (703) 697-5119.

Acquisition Management Review of Developing and Baselining the Operational Requirements Document, PN 95-505, accessed the process for developing the Operational Requirements Document, determine the effectiveness of recent changes to improve that process, and access the overall usefulness of recent documents. The team reviewed Department of Defense and Air Force policy and guidance for writing and staffing the Operational Requirements Document. The team also visited the Pentagon and 13 Air Force installations representing six major commands, three field operating agencies, and one direct reporting unit. (*HQ AFIA/AIP, Ms. Cynthia L. Sanders, DSN 246-1740*)

Acquisition Management Review of Nondevelopmental Items in Air Force, PN 95-506, assessed the Air Force implementation of nondevelopmental item policy. The team reviewed applicable policy and guidance and interviewed personnel within selected program offices. The programs selected were non-developmental items or had some nondevelopmental item component or subsystem. (*HQ AFIA/AIP, Maj. Nancy L. Combs, DSN 246-1735*)

Acquisition Management Review of Supportability Criteria in System Acquisition and Sustainment, PN 95-507, evaluated the effectiveness of the process the Air Force used to establish supportability criteria, apply them in the acquisition process, and translate them to sustainability criteria. The impact of acquisition reform on system support-

ability was also addressed. The areas of policy and guidance, organizational responsibilities, acquisition reform impacts, and career field management were reviewed. (*HQ AFIA/AIP, Ms. Cynthia L. Sanders, DSN 246-1740*)

Functional Management Review of Objective Communications-Computer Systems Unit Structure, PN 95-610, assessed implementation of the objective communications-computer system unit structure and ascertained whether the existing structure effectively supports mission requirements. The team reviewed policy and guidance provided to base-level communications units and software design activities; examined the standard core structures, alignment of functions, application of manpower standards, and variances to the standard organizational struc-

ture; evaluated unit-level implementation, current status, issues, and concerns; and determined the level of customer satisfaction with communications-computer systems support. (*HQ AFIA/MIM, Maj. Timothy S. Taylor, DSN 246-1980*)

Functional Management Review of Supply Contingency Processing, PN 95-612, examined the need for the contingency processing system, assessed maintenance cost, and identified alternative methods for computer downtime and deployment contingency processing. The team interviewed base supply personnel across commands to determine utilization of the automated systems, ascertained the need for the contingency processing system by looking at the length of computer downtime and mobility taskings, and identified alternate methods of contingency processing developed at base level and improvements to current program. (*HQ AFIA/MIL, Chief Master Sgt. Wanda J. Portee, DSN 246-2009*)

Functional Management Review of Publishing Distribution Office Operations, PN 95-613, evaluated operations, management effectiveness, and host-base support of the publishing distribution office. The team reviewed current Air Force policy and guidance related to distribution office operations; evaluated base-level implementation of Headquarters Air Force and major command policy and guidance; assessed unit-level customer account representative training; and interviewed key personnel at major command and base level to include mission support squadron commanders, base information management flight chiefs, publishing distribution office personnel, and selected customer account representatives. (*HQ AFIA/MIS, Maj. Alvin T. Odom, DSN 246-2203*)

Functional Management Review of Air Force Aircraft Armament and Munition Test Sets, PN 95-627, assessed the availability and supportability of aircraft armament and munition test sets and determined the effect on today's operational environment and readiness. The scope of this management

review did not evaluate bomber and stealth aircraft armament test sets or include nuclear weapons test sets. The team reviewed current test-set authorizations against on-hand test sets to determine if sufficient quantities existed; compared quantities of out-of-commission test sets to serviceable test sets impacted mission accomplishment; examined unit- and depot-level programs established to calibrate, maintain, repair, and sustain test set supportability; and identified test set repair limitations and shortfalls that contributed to excessive repair and turnaround times. (*HQ AFIA/MIM, Chief Master Sgt. Parke E. Davis, DSN 246-2185*)

Functional Management Review of Wing-level Logistics Plans Organizational Structure, PN 95-625, evaluated the effectiveness of the two existing wing-level logistics plans organizational structures. The review team gathered data through visits and video teleconferencing from 10 major commands, nine numbered air forces, and 28 host units. (*HQ AFIA/MIL, Lt. Col. Terry L. Schrum, DSN 246-1792*) ♦



Build a Fence

Then Write a Unit Self Assessment

Lt. Col. Steve Fowler
HQ AFIA/FIC DSN 246-1831

The most difficult aspect of writing a unit self assessment is figuring out who you are, that is, to place your customers, products, and services in the correct perspective. So, build a fence before you begin writing the assessment.

I'll illustrate the building technique twice, once for a squadron within a wing and the other for the headquarters staff of a major command.

Using a wing-level communications squadron as an example, there are two realistic fence building options—build a fence around the wing or build one around the communications squadron. If you select the wing-level fence option, then the assessment for the communications squadron is written with the squadron being an internal function of the wing. In this case, all other squadrons, groups, and wing staff are internal customers of the communications squadron. The telephone, message, flightline, and command and control systems—which the communications squadron operates and maintains—are *support services* because they are all internal to the fence built around the wing.

On the other hand, if your fence is built around the communications squadron itself, all customer, product, and service options take on a different perspective. In this case, the other squadrons, groups, and wing staff are external to the communications squadron because they are outside the fence. As a result, the telephone, message, flightline, and command and control systems are the *products and services* provided by the communications squadron to their external customers.

A similar scenario can be built for any headquarters staff. Again, two fences can be built—one around the entire major command, the other

Photo by Gerald C. Stratton

around the headquarters staff. Choosing the fence-around-the-major-command option, one will quickly see the headquarters staff provides *support services* like guidance, policy, training, and equipping to its numbered air forces and wings. On the other hand, if the fence is built around the headquarters staff itself, then the numbered air forces and wings are external customers of the staff. In this case, the guidance, policy, training, and equipping the staff provides become the *products and services* they provide their external customers—the numbered air forces and the wings.

Either fence building option is viable, and the same quality concepts hold whether you choose the internal or external option. In both cases, you must determine customer requirements, build processes to support production of your products and services, measure results, and know the satisfaction level of your customers.

The overview is where you describe how the fence is built. This provides the foundation for the follow-on descriptions of your customer base and the products and services provided. This is where you describe the relationship of your customers with the products and services you provide. If internal, your relationship is *support services*; if external, the relationship is *products and services*.

Both options align themselves quite well with the Air

Force Instruction 90-501, *Criteria for Air Force Assessment*. If the fence is built around the corporate-level organization, the wing or major command, then the *support services* the squadron or staff provide fall into Item 5.3, *Process Management: Support Services*. Gaining customer knowledge and requirements for each *support service* is self-contained within Item 5.3. Designing new or improved support services is also contained within Item 5.3. Improvement results for *support services* are then reported in Item 6.2, *Operational Results and Financial Performance*. Customer satisfaction is determined through the processes you identify in Item 7.3, *Customer Satisfaction Determination*, with the results reported in Item 6.2. Realistically, there may be a few products and services like Item 5.2, *Process Management: Product and Service Production and Delivery*, that the squadron or staff provides to external customers, those outside the fence—but the majority of the organization's efforts will be in supporting customers internal to the fence.

Should you choose to build the fence around the sub-

organizations of the corporate-level organization, then all the roles and criteria items take on a different perspective. In this case, the *products and services*, noted in Item 5.2, the squadron provides the wing or the staff provides its numbered air forces and wings take the form of a business relationship. In this “business” environment, you learn of customer requirements in Item 7.1, *Customer Knowledge*, then translate this knowledge into product or service process design in Item 5.1, *Design and Introduction of Products and Services*. Production is accomplished in Item 5.2 and performance reported in Items 6.1, *Product and Service Quality Results*, and 6.2. As before, customer satisfaction is determined through the processes you identify in Item 7.3, *Customer Satisfaction Determination*, and the results are reported in Item 7.4, *Customer Satisfaction*.

Knowing who you are is essential before you begin writing a unit self assessment. Placing your customers, products, and services in the correct perspective is the essence of knowing who you are. So, build a fence before you begin your next unit self assessment. ♦



LEAN AND FAST

Mr. Aaron Renenger
AFMC/PA DSN 787-7630

The Air Force Materiel Command is an integrated team responsible for acquiring, delivering, and maintaining the products which help make America's Air Force the world's best. AFMC manages every aspect of the Air Force's weapon systems from their inception on the drawing board to support through their operational lives to final disposition.

AFMC also supports other U.S. military forces and allies and handles major aerospace responsibilities for the Department of Defense. These include researching; developing; and testing and evaluating satellites, boosters, space probes, and associated systems needed to support specific NASA projects.

To accomplish its broad mission, AFMC is comprised of four laboratories, four product centers, three test centers, and five air logistics centers as well as several specialized centers. The business philosophy that guides these facilities is built on providing high-quality products to AFMC's customers—the operational commands.

Those customers, however, are sometimes frustrated by what they feel is an inefficient logistics system. Since World War II, the Air Force has operated with a bulk-focused transportation system, resulting in a cumbersome, unresponsive logistics program.

Lean Logistics is addressing the Air Force's needs in this area by replacing inventory size with inventory speed. Instead of each unit stockpiling parts and performing complicated technical repairs,

the repair process is centralized at one of AFMC's five depots.

From the source of supply, along the lines of transportation, and into the customer's hands, the idea of Lean Logistics is to move fast. The faster the inventory moves, the less of it is needed. That not only saves money in reduced inventories, it means improved customer support.

Parts of the program are already working. F-16 avionics repair was recently centralized at Hill Air Force Base, Utah, resulting in a seven-fold drop in pipeline time. Currently, about 23 percent of AFMC's 570 depot shops have converted to some part of Lean Logistics. The next year will be spent setting up and conducting a six- to nine-month demonstration of the program.

Acquisition reform is also enhancing our customer service. Simply stated, acquisition reform emphasizes buying commercial products and components off the shelf, promotes greater use of commercial and industrial specifications instead of military specifications, and calls for reduced direct government oversight of contractors.

AFMC is achieving these goals through many different

programs, not the least of which are the Lightning Bolt initiatives. Through the 11 initiatives, the Air Force has eliminated all center-level acquisition regulations, created a team to promote consistency in acquisition strategy, and is developing a new staffing model for system program offices.

Lean Logistics and acquisition reform taken together are the essence of materiel in the turn-of-the-century Air Force. Once separate disciplines, acquisition and logistics are being welded together by the command as an interdependent underpinning of a lean materiel infrastructure. The result is continuous improvement of products and services to the rest of the Air Force while conserving our scarce defense dollars. ♦





The Rising Importance of the Inspector General System

Capt. Dick Poore
SAF/IGE DSN 227-4787

The end of the cold war, quickly followed by our overwhelming victory in Southwest Asia, confirmed that the U.S. military is a credible force ready to achieve our nation's political objectives. It is also clear the Air Force's reputation as the world's most respected air and space force was solidified by the devastating effect of air power during the Gulf War. The fact that the ground offensive lasted a mere 100 hours after a 43-day air campaign speaks volumes to the effectiveness of air power and exemplifies its ascendant role on the modern battlefield.

However, it is dangerous to use yesterday's air power victory as a variable in today's readiness equation. Our operating envelope has radically changed since 1990. We have entered an unprecedented period in U.S. military history characterized by a shrinking

resource pool and a corresponding increase in demand for those resources. These changes bring a unique set of new variables to today's preparedness equation and point to the importance of the inspector general system.

Several factors have converged to elevate the importance of the inspector general system. First, in response to the end of the cold war, we cut our force structure 30 percent overall and 50 percent overseas. At the same time, tensions once held in check by the familiar bipolar competition erupted in several regions of the globe. Our response to these unpredictable threats was the establishment of several joint task forces. In 1994 alone, the U.S. military had six different task forces deployed in support of contingencies. Not since the second world war have we engaged in so many operations in such a

condensed period. Our current level of involvement keeps 50 percent of our fighter forces continuously engaged overseas. Second, the current trend in defense spending is decidedly negative. In his Feb. 8, 1995 statement before the House Committee on National Security, Secretary of Defense William Perry noted the following: "As a share of federal budget outlays, defense expenditures will fall 13.5 percent by fiscal year 2000—half the share in fiscal year 1986." In itself, this trend is arguably insignificant given the aforementioned reduction in force size. However, when you factor in nonprogrammatic cuts in our operations and maintenance accounts to pay for contingency operations, this budgetary decline takes on a whole new meaning. It hinders our ability to replenish readiness spares at optimum rates, paves the way to in-



creased cannibalization, and makes reconstitution a challenge. Although in the long-term we are eventually reimbursed for deployment expenses through the congressional appropriations process, the short-term cost is in canceled training events resulting in degradation of wartime skills. Third, the end of the cold war did not eliminate the threat of the use of nuclear weapons against the United States or our allies. On the contrary, some analysts argue that the threat of nuclear proliferation has actually increased with the dissolution of the Soviet empire. Therefore, maintaining a credible nuclear deterrence force is still necessary. How do these factors elevate the importance of the inspector general system?

First, readiness and nuclear surety inspections become even more critical. Accurate

assessments allow commanders to focus the little discretionary resources available on cracks in the readiness foundation. Individually, the results of each assessment help pinpoint specific defects. Collectively, they help identify systemic problem areas that may lead to a widespread erosion of Air Force readiness. Second, looking for leverage points to get the most bang for the buck takes on greater importance. With our reduced force structure and a declining budget trend, any gain in efficiency through the quality movement positively adds to the readiness equation. Finally, an effective complaints program goes a long way toward maintaining a potent fighting force. Nothing erodes organizational effectiveness faster than a lack of integrity or confidence in leadership. We cannot expect our people to perform in an environment

littered with harassment, prejudice, fraud, waste, or widespread abuse of authority. A thorough complaint investigation process, combined with appropriate command action in substantiated cases, reinforces our institutional values of integrity, excellence, and service before self.

There is little doubt about the importance of U.S. air power on the modern battlefield or the continuing need for a credible nuclear deterrent force. The challenge before us is to guard against a readiness erosion in a turbulent world and unstable budgetary climate. General Fogleman said it best—"We must not become confused about the fundamental purpose of our Armed Forces. That purpose is their readiness to fight and win our nation's wars." To that end, the inspector general system becomes the trip wire guarding the readiness perimeter. ♦

Fraud in the Air Force

Maj. James G. Pasierb

AFOSI/PA DSN 297-4728

The Air Force Office of Special Investigations investigates all types of fraud cases against the government. Fraud costs the Air Force millions of dollars annually. Most of our fraud investigations are in the procurement area: product substitution/diversion/mis-charging, conflicts of interest, and bribery. Other types of fraud involve military and civilian members who have been caught cheating the Air Force. In these budget-tightening days, the impact of fraud, waste, and abuse is felt throughout the Air Force, and we should all accept the responsibility to prevent it at every opportunity. Mutual command and Office of Special Investigation support coupled with teamwork are essential for successful prevention, detection, and neutralization of fraud. Here are some examples.

Forgery and Bank Fraud

Subject: Air Force Reserve Noncommissioned Officer

Synopsis: This joint investigation by the Office of Special Investigations and Secret Service included assistance by

the Air Force Civil Air Patrol. The noncommissioned officer was involved in a check-cashing scheme that defrauded 45 banks and credit unions in 11 states out of more than \$330,000. The reservist impersonated an active duty Air Force member by using masterfully forged military and state identification cards and driver licenses. He opened fraudulent bank accounts under more than 100 different identities, deposited forged checks into these accounts, and then made withdrawals against the accounts to obtain cash.

Results: This noncommissioned officer is now serving a 30-month prison sentence and was ordered to pay \$248,000 in restitution.

Illegal Storage and Disposal of Hazardous Materials

Subject: Top 100 U.S. Air Force Contractor

Synopsis: The Office of Special Investigations initiated an investigation based on information received from the FBI that hazardous materials were generated as a product from numerous Department of Defense rocket and missile contracts. Information also received revealed the contractor knowingly violated several criminal statutes pertaining to their storage and disposal. Two of the company's employees were killed when an explosion occurred during the burning of some of the hazardous material.

Results: The company pled

guilty to several counts of illegal storage and disposal of the material and agreed to pay a record \$6.5 million fine, the largest fine in the history of the state. Company individuals are still potentially criminally liable and the corporation is still liable for further penalties.

Embezzlement of Government Funds

Subject: U.S. Air National Guard Technical Sergeant

Synopsis: The Office of Special Investigations investigation revealed the sergeant, a pay technician in the accounting and finance office, was responsible for disbursing payments to government contractors. Instead, the noncommissioned officer falsified the vouchers indicating he paid several contractors more than \$118,000. He deposited the money in to his personal checking account. In addition, while working in the civilian pay area, the noncommissioned officer set up a false pay record and transferred funds totaling \$290,000 into his personal account via the false record. Once that was done, the sergeant manipulated the system so that no W-2s, *Wage and Tax Statement*, were generated.

Results: The Air Force recovered \$216,110 and the noncommissioned officer was ordered to pay \$193,107 restitution. He was also sentenced to 18 months in prison and was administratively discharged from the Air National Guard. ♦

Summary of Recent Audits

Ms. Terri Buckholtz
AFAA/DOO DSN 426-8012

The Air Force Audit Agency provides professional and independent internal audit service to all levels of Air Force management. The reports summarized here discuss ways to improve the economy, effectiveness, and efficiency of installation-level operations and, therefore, may be useful to you. Air Force officials may request copies of these reports or a listing of recently published reports by contacting Ms. Terri Buckholtz at the number above, e-mail to buckholtz@afaa.hq.af.mil, or writing her at HQ AFAA/DOO, 1125 Air Force Pentagon, Washington DC 20330-1125.

Management of the Aircraft Corrosion Control Program at an Air Combat Command base was not effective. Specifically, aircraft did not always receive full paints as required and washes were not always accomplished in a timely manner. Preventive corrosion control efforts are necessary to ensure optimum life span of

valuable aircraft. Furthermore, occupational health examinations were not accomplished as required for corrosion control personnel. Preplacement, follow-up, and termination examinations are required to evaluate body chemical levels and determine results of exposure to hazardous chemicals. (*Report of Audit 52596015*)

Management of the Siding Indefinite Quantity Contract at an Air Education and Training Command installation needed improvement. Specifically, installation officials did not properly plan the project, resulting in an overpayment of \$1.2 million to the contractor. Further, these officials did not complete designs for all buildings or accurately determine applicable siding supplies and services. In addition, inspection supervision of the contract was not adequate and corrective action was not initiated or completed for instances of poor workmanship, identified line item discrepancies, and sub-standard materials. (*Report of Audit 92595066*)

Review of Organic Project Order Obligations at an Air Force Materiel Command

center revealed needed program improvement. Specifically, funds managers did not always effectively manage organic project order obligations. The funds managers did not always use the Project Order Control System, G004B, status reports to identify, deobligate, and return excess funds to depot maintenance customers in a timely manner. Action was initiated to deobligate \$16.9 million of the excess audited funds. (*Report of Audit 44096022*)

Inpatient Third Party Collection Program at a medical treatment facility required improvement. Although collection personnel properly identified patients with health insurance, follow-up action on aging accounts was not always implemented. In addition, billings over 150 days old with no insurance action to either pay or deny a claim were not referred to the staff judge advocate as required. The medical treatment facility could realize a one-time benefit of \$1.7 million if all fiscal year 1994 billings over 150 days old received follow-up actions. (*Report of Audit 92595085*) ♦



AMERICAN EXPRESS TRAVEL CARD ABUSE— CAN WE CONTROL THE PROBLEM?

Maj. Jane M.E. Peterson
AFLSA/JAIG DSN 297-1546

The American Express credit cards issued to individual Air Force members for official travel-related expenses have been the subject of increased levels of member misuse, abuse, and criminal misconduct. American Express misuse or abuse has generally taken two forms: 1) failure to pay the debt incurred as a result of use of the card and 2) use of the card for an unauthorized purpose, such as non-official or personal charges. American Express credit card abuse, unauthorized use and failure to pay the debt, can result in the member's card being revoked and deployment or official temporary duties being hampered.

Between January and November 1995, the total Air Force-wide American Express bill delinquency amount averaged \$15.02 million per month with the highest monthly average being over \$17 million and the trend inching upwards. The Air Force is responsible for nearly one-half of the Department of Defense-wide delinquency amount. Twenty-five percent of total Air Force billing was delinquent in payment, compared to an industry-wide delinquency rate of three percent. Statistics indicate that in fiscal year 1995, 690 Article 15 actions and 62 courts-martial were initiated against military members for American Express card abuse. In the first two

months of fiscal year 1996, 133 Article 15 actions and nine courts-martial were initiated against military members for misuse of their American Express cards. If the trend continues, nearly 800 Air Force members could face Article 15 punishment for American Express abuse in fiscal year 1996.

The accounts of misconduct range from an officer buying a car with the American Express card to an officer paying a child's college tuition. Another officer paid for his family's trip to Disneyland and another simply used the card to supplement personal expenses in an amount over \$10,000. One airman charged over \$24,000 on

the card and another airman used the card for all-expense-paid trips to Jamaica and Germany, among other things, totaling over \$28,000 in charges. In addition to using the card for unauthorized personal expenses, an Air Force-wide delinquency rate of 25 percent in paying the bill on time is horrendous and brings discredit upon the Air Force in the eyes of the public. Those facing courts-martial have been sentenced to jail time, officers have been sentenced to dismissals, and punitive discharges have been adjudged for enlisted members for American Express card abuse.

Member misconduct related to the American Express Travel Card Program threatens military readiness, expends valuable command time and resources, and often results in adverse disciplinary action. The military justice system is well equipped to support the command structure in maintaining good order and discipline, curbing the increasing level of American Express card misconduct, and preventing further misconduct. A widespread preventive law program coupled with aggressive, timely disciplinary action is required to gain and maintain control of this government-sponsored program.

Widespread dissemination of information related to proper use should be the first line defense against further American Express card misuse or abuse. Clearly informing mem-

bers that the card is for **official purposes only** and that they are required to pay the bill when it comes due is absolutely critical to curbing misconduct. Inform military members of the proper use of the American Express cards in formal briefings and in writing as soon as they receive their cards. Document that a member was advised of the proper use of his or her card. In addition, advise members that American Express card abuse can result in adverse disciplinary action including imposition of an Article 15 or even a court-martial if the abuse is serious enough. Formal briefings on the proper use of the American Express card and the potential repercussions of misuse serve two purposes. First, they will ensure that members don't inadvertently misuse their card because they don't know the rules. Second, knowing the seriousness of the actions that will be taken for misuse will act as a deterrent to individuals who might be inclined to abuse card privileges.

When the preventive law program, through widespread dissemination of information, fails and a member abuses his or her American Express card, adverse disciplinary action should be swift and sure. Visible punishment for misuse is the greatest deterrent to further member misconduct. When a member faces court-martial action for American Express abuse, it should be publicized.

The Uniform Code of Military Justice provides several avenues through which commanders can discipline members for American Express abuse. Of course, this article deals in generalities. If specific misconduct is discovered, the base legal office can provide specific guidance for that particular case. Dishonorable failure to pay a just debt is a criminal offense under Article 134, of the code. If a member consistently fails to pay his or her American Express debt, legitimately incurred or not, charging this offense may be appropriate.

A strong preventive law program is the best mechanism for curbing American Express abuse. The great majority of military members, when they know the rules, follow them. We must get the information about proper use of the American Express card and potential disciplinary consequences for misuse to the members. Once the information is out and a member misuses his or her American Express card, the tools to correct the American Express abuse are available within the military justice system. A disciplined approach by those in positions of command is required to ensure those tools are properly applied and administered. Widespread dissemination of information and speedy justice are the answers to the misconduct question. ♦

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